

FRIENDLY CAUTION -- AND A LITTLE INFORMATION

The accompanying "Report on Japan -- Spring 1937" should not be printed in extenso, the introduction in particular; though portions of it may be quoted or adapted if desired. There should be no identification of the author, Professor M. S. Bates, of the University of Nanking, or of his colleague Professor Ma Po-an, who contributed notes and criticisms upon a draft of the paper in addition to his full part during the actual journey in Japan. This precaution is not so much for personal protection as to guard the friends who aided them in Japan, and to keep the lines of communication open for the future.

A Chinese-language variant of this paper, freely composed by Dr. Ma with whatever use of the English version he desires, has been planned and will surely be distributed if there is noticeable call for it.

A "Report on Present-Day Japan", slightly more extensive in scope, was prepared by Mr. Bates after his visit in February 1936. Copies are available to serious inquirers who address him at the University of Nanking. There is also a separate but supplementary statement on "Suggestions for Constructive Contacts." The 1937 Report was deliberately written without conscious reference to the earlier discussion, which retains some points of special interest and variation, due both to the immediate conditions and to particular sources of information.

We can also supply copies of two papers worked out by a Nanking group in November 1935 and April 1936, entitled "Memorandum on Policy toward Japan" and "Suggestions on Policy toward Japan." These documents embody the results of considerable study and conference upon the problem of meeting the international crisis by a genuine national program other than war. The analyses of the Chinese situation were concretely dated in the circumstances of the periods in which they were written, and they help to interpret the conditions and concepts out of which arose the Chinese refusal of Ambassador Kawagoe's sweeping demands in the autumn of 1936. These papers found a thoughtful, sometimes a cordial reception among leaders of varied types in Nanking and other centers; and they may prove useful to other minds considering the struggle still ahead.

Criticism and suggestions upon work of this type are welcome. Also exchange of information and sympathetic interest. The exchange of information and the contact of attitudes are highly desirable; and the former will become critically necessary in case of general hostilities. There is an enormous amount of fundamental education to be done, and such visits inspire and enable a few leaders to begin it.

R E P O R T O N J A P A N

The following facts and impressions were gathered during an inquiry in Japan carried out during March 1937, by a missionary and a Chinese Christian. With encouragement from Christian groups, both in China and in Japan, they were aided in their double purpose of investigating the current national trends of Japan and their bearing on Japanese policy toward China; and of presenting to inquiring Japanese, information regarding China and Chinese reactions to Japan. Some eighteen days were available in Japan, divided among six cities and intervening travel; nine full days were spent in Tokyo.

Throughout the visit cordial cooperation was supplied by Japanese Christians, missionaries, and their friends. Interviews were held with professors of three of the Imperial universities, heads and teachers of other schools of varying types; with several members of both houses of the Diet; with Christian leaders in various professional positions; with newspaper correspondents and eight or ten editors representing some of the greatest papers of the country; with several men in official and semi-official posts. In some fifteen gatherings, varying in size from a small group to perhaps two hundred and fifty persons, statements were made concerning recent changes in China; the actual progress of the Japanese military enterprises in North China; the outstanding problems between the two countries, as seen through Chinese eyes, possible solutions or improvements in the situation; and a friendly critique of erroneous views or futile proposals met with in Japan. In most cases these statements were accompanied by give and take, or at least by question and answer. Various friends, including several Japanese, spoke of their surprise that our activities had not met with police interference. We owe much to the loyal care of those who made arrangements for us, and perhaps a balance to plain good fortune as well. Suspicious hands were stretched forth more than once, but did not actually close upon us.

The heartiest goodwill was manifested from a large number of persons in all walks of life. Although very plain speaking was employed on several occasions, there was no unfriendly demonstration, even where opinions conflicted sharply. On the other hand, three-fourths of the persons who indicated their attitudes in any way were so cordial and friendly and open-minded as to awaken new hope of the possibilities of reconciliation, at least for a fair number of select minds.

We found considerable evidence that friendly and unofficial visits from one country to the other have proved useful and are much needed. The exchange of information and the contact of attitudes are highly desirable; and the former will become critically necessary in case of general hostilities. There is an enormous amount of fundamental reeducation to be done, and such visits inspire and enable a few leaders to begin it.

It is unnecessary to repeat here the well-known facts of militarism and nationalism in Japan, which remain largely unchanged. We will endeavor to state those factors which seem to us to be evidence of some modifications in the past year or so, or which bring some meaning in novelty or unusual interest. The background of strong nationalistic pressure will be illustrated later. It is an essential part of the half-favorable picture we now present.

THE DIET AND THE ARMY

The apparently easier freedom of expression noticed during the past year in the sessions of the Diet and in the newspaper reports of political speeches, is a strange phenomenon in a controlled society. Liberal and moderate elements are deeply grateful for the renewed vigor of expression among their political leaders. The strong attacks made repeatedly upon the Army and upon the bureaucracy under its influence, come on the one hand from a perception of the Army's faults and on the other from a desperate sense of the need to struggle if Japan is to be saved from utter militarism. The encouraging thing is that a fight is now in progress, regardless of how many setbacks and how much danger the Liberals must face. For two or three years it seemed that Liberalism in Japan was crushed, but now there is a feeling frequently expressed in these words: "The Army went too far"; or even, "The Army leaders realize that they went too far." These opinions seem to refer even more to the interference with the Imperial instruction to General Ugaki for the formation of a cabinet, than to the mutiny of February, 1936, or to other specific acts of violence on the part of the Army. It is considered that the Ugaki Affair revealed a deliberate blocking of the orderly process of Government under the Constitution, for which the highest leaders of the Army must take direct responsibility. In that way it differs from the disorderly and factional character of the famous mutiny, reprehensible as that was.

REMARKABLE SPEECHES

Certain speeches of members of the Diet, such as those of Saito in May 1936 and of Hamada in December 1936, carried to extreme lengths the direct criticism of militaristic government. They not only were demonstrations of individual courage, but they also represented a wide body of sentiment and aroused tremendous approval. One member of the Diet declared that these men had gained such publicity as to bring forth twenty like them in the next session. Several times during the past twelve months interpellations have wrung from the Ministers of War and the Premiers actual apologies for the conduct of the Army in the Mutiny and in tampering with policy outside their sphere at home and abroad. Various significant speeches made either in the general sessions or before committees have been withheld from the news. Noteworthy was the speech of

Yukio Ozaki, the grand old liberal, who has won a seat in every Diet since the promulgation of the Constitution in 1889. Ozaki insulted the Army for several minutes, by the simple but effective device of declaring that he had discovered in the houses and streets of Tokyo a widespread custom of referring to domineering and unpleasant personalities by the nickname "Army". He put acid on the wounds by adding that persons who did their duty properly and pleasantly were often called "Navy". It is no wonder he carries in his pocket a letter of farewell to his family; or that election instructions by various regional authorities have forbidden any remarks tending to weaken public respect for the Army, or to foment discord between Army and Navy.

Another speech that could not be publicly reported was that of the industrial magnate, Baron Okura, who pressed in the House of Peers for a declaration that the Cabinet would stand by the liberal implications in the first speech of Foreign Minister Sato. The Baron concluded his effort by saying that with one or two exceptions the entire membership of the House enthusiastically supported the views of the Foreign Minister. This represents a new advance, lining up moderate and even conservative backing for statesmen who desire to restrict militaristic policies. There was encouragement in the conviction of an elderly and conservative peer who had shared in Prince Ito's discussions of the official commentaries on the Constitution, that the basis of parliamentarism is unshaken. This again illustrates the union of cautious men with progressives as against the radical reactionaries of the extreme right.

PROBLEMS OF THE DIET

However, we must not draw too favorable inferences from examination of the Diet. The corruption and incompetence of too many members among the larger parties are such as to give the Army an easy chance to impugn their motives and charge them with objecting to really clean and patriotic government. One earnest member of the Diet declared that he joined a small group to insist upon making a fight over certain supplementary military items in the budget. This was to be a test of strength. However, the leaders of the two main parties, the Seiyukai and the Minseito, passed the word around that if the budget were not approved, the Army would probably be able to proscribe all political parties as contrary to Imperial principles of government. The Diet then meekly approved the tremendous increases desired. At the present time the great anxiety of moderate Japan is to know what steps the Army will take if ensuing elections fulfill their expectations in continuing to return a Diet hostile to the present Government. One reason for the apparent increase of liberal expression, which hints at its limitations in considering foreign policy, is the general anxiety over all sorts of tendencies and proposals for the concentration of governmental authority, comprehending economic and social and

cultural policy, under military direction. The anxiety is based not wholly upon broad liberalism, but considerably upon the fears of those who may be disturbed by reorganization and upon distrust of the present unstable and divided views within the Army itself.

The public interest in the Diet as a voice of national opinion is indicated by the vast quantities of material in the newspapers concerning the speeches and activities of members. Considering the censorship, this publication is remarkably extensive. Moreover, there is a vast demand for tickets to visit the sessions of the Diet. We were enabled to attend an ordinary meeting and were much impressed by the intense interest of the crowd of visitors, including some 300 women who filled a special gallery allotted to them. This last is a new indication of public interest in Japan. Admission to the Diet is only by tickets signed by members and is carefully restricted. Complete disarmament is fully realized in Japan—for visitors to the Diet. Not only did we part from pencils, paper, handkerchiefs, and all contents of our pockets, save actual money; but one of us was even sent back to the cloak room with an overlooked arsenal of a comb, a rubber band, and a paper clip.

The Social Masses Party has reached the standing of an appreciable group in the Diet, and is felt by some to be the hope of liberalism. Lest the name should terrify any one, we must report that in company with Kagawa we visited two public meetings of the Party during the campaign for the elections for the Tokyo Municipal Assembly, and heard nothing more dangerous than the mention of co-operatives among the customary pleas for honest government. Kagawa added to his plain goodwill a simple humor and great skill in handling crowds of ordinary folk that made him a convincing master of the labor hall and the school auditorium in which he spoke. He predicted accurately the Party's gain from two to more than twenty members in the hundred-odd of the Assembly.

FASCISM AND MILITARY LEADERSHIP

Despite the fear of sudden political strokes by military leaders, there was considerable opinion that an important phase of fascist activity has passed without result. It has been impossible to unite or even to federate the hundred and more of rightist societies which have received personal or financial support from military groups. Moreover it is not apparent that there is strong leadership for such a movement within or without the Army. Although fearful of what reckless fascists might attempt, moderates are generally relieved by the absence of strong political discipline and clear purpose in the Army. Personal and group rivalries continue in such a flux that it is at present impossible for the Army to formulate in advance a clear program either for domestic or foreign policy. Even the question of leadership in the Army is subject to the same whirling of personal influences. The great gulfs within the Army are

suggested by unimpeachable testimony that in high military quarters there is still found opposition not only to the advance in North China and to the policy of exploiting the population of Manchuria, but even to Japan's rejection of the Lytton Report. Moreover the cautious stand taken by the Navy at the time of the mutiny in 1936, the intelligent and relatively good leadership of Admiral Yonai, the present Minister of the Navy, and the increasing budgetary problem between the two services, all combine to interfere with full cooperation between the Army and Navy. Important men have publicly declared that Japan cannot be a great military power on land and sea at the same time. No other country has been able to achieve such a dominant position and certainly their own resources do not permit it. The obvious implication is that one of the services must suffer in financial provision; and that does not make for harmony.

ULTRA-NATIONALISM IN EDUCATION

Fundamental and pervasive is the dominance of nationalism in its peculiar Japanese form. We begin with the field of education where there is in process a very considerable revision of text-books, which has already given new emphasis to the conceptions of the divinity of the Emperor, and the unique supremacy of Japan over other nations. It is expected that the next step will include considerable falsification of history in the interests of the doctrine of unbroken authority and continuity. There are many reports that pressure for full recognition of the Emperor's divinity, frequently including that of his consort (a new development), has increased in the past two years. Moreover, the pressure upon all types of schools, particularly those in the colonies and those which, by their Christian or liberal character, may be charged with some form of an international or non-Japanese tendency, has in some cases become severe. For example, the elaborations of the ceremony of reading the Imperial rescript on education have been carried so far as to afford an easy means of charging any disliked school administrator with opposition to the Imperial will and national character. Thus important men have been eliminated by unworthy elements, and others are threatened to the point of severe restriction of their activities. Actual persecution of significant leaders in education has occurred. In these enterprises, it is usually rightist organizations, illiberal alumni, military instructors, and the Ex-Service Men's League, which, in varying combinations, are the force of attack. Frequently, though not always, officers of the Government take a neutral or even protective position in regard to the leader in question; though this is usually a step taken not out of sympathy with his views, but through a wish to maintain regularity of conditions.

One specific example will indicate the possibilities of control by militarized elements. In an important city, a Christian school has long been attempting to buy additional ground for needed expansion of buildings, but has continually been blocked by some hidden hand. Eventually the Japanese leader of the school group

went to the division commander of the area and asked him in a frank and friendly way how the difficulty could be adjusted. The result of long negotiations was aid and protection by the Army for the securing of a satisfactory site under conditions that run something as follows: The chief Japanese representing the school promised to commit "harakiri" if there ever occurred in connection with the school a case of spying by a foreigner. Then the building plans had to be approved by the Army, with the requirement that no windows should look out upon the Inland Sea, and also that inspection should be carried out during and after construction at the will of the Army. Finally, it was pledged that in case of war, the building would be turned over to the Army.

ULTRA-NATIONALISM AND RELIGIOUS BODIES

Other evidences of nationalistic pressure will be taken from a few instances among Christian organizations. Manchoukuo, Korea, Formosa, and the Ryukyu (Liu Chiu) Islands all report efforts to restrict Christian activities. For instance, the Christians in the Liu Chiu Islands suffer so much from the association with missionaries who are termed to be foreign spies, that they themselves have earnestly asked missionaries no longer to visit them or subject them in any way to suspicion. This general pressure appears also in Japan proper, notably in the Kagoshima area of Kyushu. The Catholic priests and several thousands of Japanese Christians have been driven out from that prefecture, according to most careful reports. The charge was spying and association with spies. Unfortunately certain acts and words of the priests, though not in themselves guilty, were provocative of difficulty. The underlying problem, however, was the fact that officers of the gendarmerie were able to stir up the young men's patriotic societies to prevent the sale of food to Catholics and even to make specific threats of burning houses on a definite date if their owners did not leave the region. Officers also stated to Protestant missionaries their intention to suppress all Christians sooner or later.

Members of a Christian society concerned with international relations have undergone considerable pressure not only through the barring of Mr. Spencer Kennard from the country on the charge that he was active in the Fellowship of Reconciliation, "a Communist Organization"; but also through police activity regarding relatively innocent writings and speeches, some of them dating far back into the past. Actual persecution of one member through the imprisonment and torture of younger followers is authentically reported. A Christian worker concerned with international and social questions incurred serious injuries to his work through the hostility of a police officer who, for reasons of spite, frankly declared his purpose to break up the worker's enterprise. Although the case was ultimately settled in a favorable way, through appeal to high authorities among whom was a Christian, valuable group organizations have disappeared from the

possibility of effective continuance. The general atmosphere of suppression and control of groups that can be labelled as contrary to Japanese nationalistic conceptions, is more and more severe. It was even reported by a leading Japanese pastor that a harmless international program announced in a well known church of a chief port was forbidden by the police.

CONTROL AND OPINION

Men of experience and of principle have been gradually forced to recognize that materials advocating peace or internationalism can no longer be published in Japan. One can take only national ground, and that with close sensitiveness to what will be permitted in a particular place and time. Even oral discourse in small meetings must be protected in every possible way against extremists and secret agents. The editor of a well-known paper reported that he had on his desk at one time over 200 "press bans", orders to refrain from giving information or comment upon certain events and subjects. There is a perpetual ban upon "anything likely to lessen respect for the Army", which of course is a statement of great elasticity.

It was observed that despite the known good character and intent of some members of its staff, the official news agency Domei publishes in China some things that are not released in Japan, and vice versa. Thus the one quasi-monopolistic organization contributes diabolically to conflicts of information in the two countries. Few persons in Japan, even among the best-informed, were aware of the sweeping program of domination which Ambassador Kawagoe secretly pressed upon the Chinese Government last autumn.

Occasionally there appears a welcome surprise in the field of information. A splendidly fair and intelligent book by Director Ota of the Bureau for Investigation of East Asiatic Problems attached to the Tokyo Asahi, entitled The Birth of New China, is one of the most encouraging indications of realistic liberalism. The Bureau is excellently set up, and has great potentialities of usefulness for those who want facts.

ECONOMICS AND NATIONAL POLICY

Extended inquiry on economic questions brought forth results which are not novel to close students of the situation. A number of businessmen and other competent persons declared frankly that Japan has no considerable capital for investment in North China. Even from the point of view of military imperialism, the requirements for armaments and for the development of Manchukuo toward prosperity and security are so great as to use all possible surplus from production. The national economy rolls along with ominous rumblings from the militaristic pressure. A hostile but skilled economic analysis indicates that just under 50% of the productive effort of the Japanese people is available for their consumption. The investments in capital

goods, particularly in armament industries; the heavy exports which are largely exchanged for industrial materials; the maintenance of government and of debt services; the transfer of goods and capital to Manchukuo account for nearly half of the national production. The spurt of the military industries is utterly out of proportion to normal industries as compared with the situation in Britain or America, or even in some of the more militarized countries of the West. Nevertheless the game goes on, and most of the prophets of disaster have already been outlived. The editor of a leading economic paper presented a vigorous review of Japan's industrial and financial progress, all to show that the burden of larger armaments can easily be carried. He added warnings that Chinese should not read and quote so extensively from Kaizo and Chuo Koron, the best-known liberal reviews; on the grounds that they are excessively critical and therefore lead outsiders to underestimate the power of Japan.

What really does cut the ground from under the military colossus is the problem of raw materials. The Japanese price of iron and steel doubled within fifteen months. As an inevitable result, even the increased military appropriations can buy much less in equipment than a year ago. For example, the Navy budgeted for three battleships but can actually expect one and two-thirds. A country with little iron, insufficient copper, little cotton, and little oil can hardly expect to militarize itself upon an equality with a nation of great industrial resources. Most futile is the dream of the military leaders that if only they continue to develop their equipment, they can improve their position as regards Russia; whereas to any other eyes it seems that Russia can produce several units in military mechanism and supply to one in Japan.

JAPAN AND CHINA

Japanese policy toward China has remained in a state of suspension since the rebuff to Ambassador Kawagoe's enormous demands of last September. A moderate policy seems possible or even probable as one considers the difficulties within Japan, the anxiety concerning Russia, and the growing unity and spirit of resistance in China. Nevertheless, we must observe the contrary tendencies. First, the Army has successfully maintained the idea of a national crisis in order to secure its urgent appropriations and to develop its program for concentrating government power and economic enterprise. Again the control of thought and narrow nationalistic education, with its strong elements of military training and the glorification of military heroes, produce a state of mind within the Army and among the public which is ready to produce action. Once more, the Government news services and censorship operate in such manner as to withhold from the people information of the unfavorable and unsuccessful aspects of Japanese activity in China, and on the other hand to misrepresent the

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attitudes and policies of the Chinese Government and Chinese people. The Japanese public believes that China is deliberately planning and acting in an aggressive manner against Japanese interests and in collusion with Russia and Great Britain.

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THE NEWER QUESTIONINGS

Moreover he suggested that there was no emergency controlling Japan unless it were of Japanese opinion. However, we emphasize some recent trends of Japanese opinion toward China. There is a widespread recognition that China has gained in strength; that Chiang Kai-shek has proved a real leader of the nation; and that China is no longer an easy hunting-ground for Japanese enterprise. Thus the situation calls for careful reconsideration of policy. Furthermore Manchukuo has, in fact, proved an economic burden for the entire period since 1931; and has increased the difficulties of national defense and of national economy. The anti-Russian propaganda which covered this situation is wearing thin, and many intelligent Japanese now take a more critical view of expansion on the continent. We heard a good-spirited member of the Diet say to a rather significant group of persons that even Korea had been of dubious worth to Japan. He pointed out the disappointment concerning immigration to Korea, where today there are only about 500,000 Japanese residents while 700,000 Koreans have come to Japan. He also recognized that the Korean surplus of rice for export more than covered the deficiency in Japan proper, and thus lowered the price below what Japanese farmers really require.

The comprehension of Chinese development sometimes has its patriotic aspects. For example, there is an indefinite and almost subconscious fear that China will ultimately prove an aggressive danger to Japan. The anxious desire for China to recognize Manchukuo is one indication of this feeling. Another is the desire to tie up China with Japan in a policy hostile toward Russia, as a means of forestalling the supposed tendency of China to combine with Russia against Japan. Moreover, it is considered that China welcomes the building up of a strong economic position by Great Britain in Central and South China as a barrier to Japanese expansion. Thus we meet the old and deep-seated trouble that Japan in part regards China as a battle ground upon which she must gain a victory over the hated Russians and the gluttonous British.

Japanese and Japanese advisers are vigorously excluded, and that It is encouraging to note that the idea of the domination of all China by Japan has quite lost ground. There is indeed an anxious desire to work out some kind of settlement with China, imperialistic though it may be. We have gone far from the Aman declaration of 1934, which seemed to mark out China as a full protectorate under Japanese direction.

those who freely admit the wrongs done by the Japanese Army in that area. Important personages urged that China should grant unlimited economic opportunities in the North as the minimum means of

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The famous speech of Foreign Minister Sato on March 11 was greeted with tremendous enthusiasm by Japanese liberals and even by moderate nationalists. It may be recalled that he practically recognized the failure of Japanese foreign policy in recent years, and proposed a complete new start in all directions, including the treatment of China as an equal. Moreover he suggested that there was no emergency confronting Japan unless it were of Japan's own making. This last admission was especially pleasing to critical and independent minds which had long thought the same but had not expected to hear it announced by a cabinet minister. The importance of Sato's speech is shown by the fact that it has proved a bone of contention ever since its utterance. Militaristic pressure required him almost immediately to tone it down. Nevertheless, the Government repeatedly asserted in answer to inquiries, that it stood by Sato's declarations. Frankness requires the observation that Sato laid down no positive program or definite lines of policy; and that there is no assurance of his power to act, or even to remain in office if he insists upon a liberal policy. Though China must not hope too much from the indications of new attitudes on the part of Foreign Minister Sato and Ambassador Kawagoe, she should make fair and vigorous use of the relatively favorable opportunity to set forth her reasonable position. Both sides should do their utmost to approach the major issues in the best spirit possible, avoiding the aggravations of extremists and of occasional incidents.

OPINIONS ON CHINA POLICY

Upon the outstanding issues between China and Japan we heard frequent expressions of opinion along the following lines, varying among individuals, of course. First, that Manchoukuo is a closed question, awaiting only the seal of Chinese recognition to remove it from any possibility of challenge in the future. Even some liberals who privately condemn the seizure of Manchuria, urge recognition as a means of calming the generals and weakening one of the pleas for armaments. Secondly, concern over what is imagined as a systematic anti-Japanese program forming the basis of reconstruction and unification in China. It is thought that Japanese capital and Japanese advisers are rigorously excluded, and that the resources of China are being marshalled under British and Russian influences for potential aggression upon the Japanese Empire. Thirdly, fear of communist advance, connected with the assumption that China will not or cannot of herself withstand the activities of the Third International. Fourthly, a strong wish for economic and strategic advantage in North China, even among those who freely admit the wrongs done by the Japanese Army in that area. Important personages urged that China should grant unlimited economic opportunities in the North as the minimum means of

satisfying the Army and as the necessary preliminary for any possible lessening of military and political pressure. Moreover, there was frequent concern lest any attempt to straighten up the mess in North China should be interpreted as weakness on the part of Japan, leading to further Chinese efforts against the Japanese position. Fifthly, the much-discussed economic cooperation is vaguely conceived and backed by inadequate finance and material. No consideration is paid to China's own needs and natural desires for industrial development, and the usual assumption is that China has vast mineral resources which will be unused or will benefit other foreign interests if Japan does not press her way through the Chinese resistance to her own desires.

CONCLUDING INTERPRETATION AND SUGGESTIONS

All in all, we still fear the fundamental urges and organized forces tending toward aggressive expansion in China. No conclusive restraint, internal or external, has yet brought them under control. Yet the total of difficulties arising in China and on the Russian frontier, plus the internal political, economic, and even military anxieties, are such as to give rational pause to responsible leaders considering military action in China; or to cripple such action if it is unwisely attempted. If it were certain that policy and practice would be controlled by reason, there would be little cause for worry! Meanwhile we must watch military men of narrow education, motivated by imperial, factional, and individual ambitions, struggling for a free hand in the use of the highly organized and disciplined resources of the Japanese Empire.

The moderate men on both sides could with persistent patience work out a settlement on the basis of Japanese withdrawal from the provocative position in North China, mutual understanding that the Manchoukuo problem is to be left aside for some years to come, and a gradual increase of opportunities for Japanese economic undertakings in China--the last to be on lines of normal trade and productive investment rather than those of military pressure and political methods.

Mutual confidence can be regained only by genuinely constructive efforts on both sides, and the Japanese position in North China is such that a considerable initial step on her part is requisite. It is China's duty to demonstrate such restraint and such fair consideration of the Japanese position as will aid the best elements in Japan, and will deprive the more strenuous imperialists of the pretexts for action which they take so readily. A Chinese policy of this sort need not sacrifice vital interests. Indeed, it aims to maintain them by wise firmness.